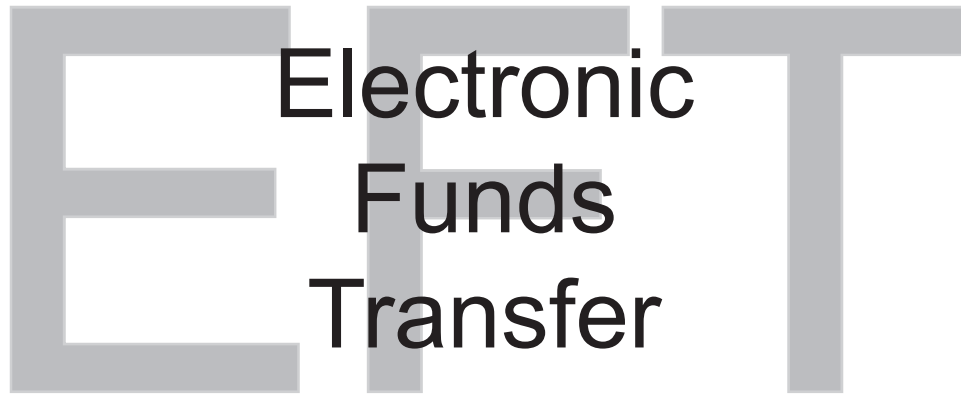


Indiana Department of Revenue



EFT
Program Information Guide
And
Registration Packet

www.in.gov/dor/

INTRODUCTION

What is Electronic Funds Transfer (EFT)?

EFT is an electronic method for instructing financial institutions to debit or credit customer accounts and thereby effect a transfer of funds from one account to another. EFT methods are faster and more secure for moving funds than paper checks. This packet contains the instructions and registration form (EFT-1) for the traditional EFT program related to the tax types listed below. For a complete list of electronic options visit our Web site:

www.in.gov/dor/

Is EFT Required or Voluntary?

Certain taxpayers are required to remit by EFT, but we encourage everyone to participate in the program. There is no minimum threshold for paying by EFT.

Required Taxpayers - The thresholds are different for various tax types. Following is a list of the EFT tax types and the thresholds that require a taxpayer to pay by EFT.

Gross Retail Sales and/or Use Tax - If the average monthly payment exceeds \$5,000, tax payments must be made by EFT.

Tire Fee - Taxpayers who are required to (or voluntarily) remit sales/use tax by EFT must also remit any amount of the Tire Fee due by EFT. A separate EFT registration must be completed and separate payments must be made.

State and County Withholding Tax - If the average monthly payment exceeds \$5,000, tax payments must be made by EFT.

Prepaid Sales Tax on Gasoline - All taxpayers remitting this tax must pay by EFT, regardless of the tax payment amount.

Gasoline Distributors Tax - If the average monthly payment exceeds \$5,000, tax payments must be made by EFT.

Special Fuel Tax - All Special Fuel Tax remitted by suppliers or permissive suppliers must remit by EFT.

Corporate Income Tax - Quarterly estimated tax payments must be remitted electronically if the estimated quarterly adjusted gross income tax liability for the current year, or, average estimated quarterly liability for the preceding year exceeds \$5,000.

Financial Institution Tax - Quarterly estimated tax payments must be remitted electronically if the financial institutions tax liability for the current year, or, average estimated quarterly liability for the preceding year exceeds \$5,000.

Utility Receipts Tax - Quarterly estimated tax payments must be remitted electronically if the utility receipts tax liability for the current year, or average estimated quarterly payments for the preceding year exceeds \$5,000.

Streamlined Sales Tax - If the annual Streamlined Sales Tax due exceeds \$30,000, the tax payments are required to be remitted by EFT. Taxpayers who have not registered to file multi state sales tax at the Streamlined Sales Tax Registration web site (SSTR), <https://www.sstregister.org/sellers>, may disregard this reference. For information concerning Streamlined Sales Tax visit our Web site:
<http://www.in.gov/dor/streamline/>

What Methods of EFT does Indiana Accept?

If you are required (or wish to voluntarily) remit by EFT the following methods are available.

- ACH (Automated Clearing House) Debit – Touch tone telephone method – You make a call to initiate a request for debit to your account.
- ACH Credit – At your request, your bank transfers a payment into the state's account together with a required addenda record of identifying information.
- ACH Debit, INtax – You initiate a request for debit to your account using the Department's online filing/payment program.
- Fed Wire- Federal Wire Transfers are reserved for emergency circumstances only. Federal Wire Transfers must be requested and approved by the EFT Section (317-232-5500) before the payment is made.

Do not attempt to deposit funds directly into any bank account listed in this packet. You must register for EFT, ACH Credit, and submit payments using the CCD+ TXP format. ACH Credit payments received without an addenda record will be rejected by the state's bank.

What Steps are Necessary to Become an EFT Taxpayer?

You must submit an EFT Authorization Agreement Form (EFT-1) to the Department. An EFT-1 is contained in this packet and is available on our Web site, <http://www.in.gov/dor/taxforms/state.html#electronic>. Please read the instructions on the back of the EFT-1 and ensure the form is completed in its entirety. After the EFT-1 has completed processing, an EFT registration confirmation letter will be issued.

Taxpayers who select the ACH Debit method will receive further instructions under separate cover within two weeks of receiving the notification that the EFT registration has been completed.

Taxpayers who select the ACH Credit option will not receive additional instructions but must adhere to the required addenda record format contained on Page 8 of this packet. Page 8 also contains the state's bank information so that ACH credit payments may be submitted to the correct receiving account associated with the tax type being remitted.

The Department's online program, INtax, allows you to file and/or pay certain tax types. The available tax types currently include: sales/use tax, tire fee, withholding tax, prepaid sales tax on gasoline, motor fuel tax, and special fuel tax. If you decide to become an INtax user, you may remit your payments by ACH Debit in INtax. You'll register for ACH Debit online in INtax. (Registering for EFT using the form in this packet is not required if you will be using INtax to make your payments.) For further information about the INtax program visit our Web site:

<http://www.intax.in.gov>

What if I have a Tax Service Provider?

If you are required to remit by EFT, it is your responsibility to notify your tax service provider. Either of you may complete and submit the EFT-1. If your service provider remits payments on your behalf by EFT voluntarily, an EFT-1 should be submitted either by you or the service provider.

What about Failure to Comply?

If you are required by law to remit by EFT but remit by check, your payment could be subject to a penalty assessment equal to 10 percent of the tax paid.

What Constitutes Timeliness?

Your payment is considered timely if you initiate the request for payment on or before the due date and funds are received in the state's account the next legal business day. The tax payment funds must be in the state's account no later than the business day after the due date.

Note: If the payment due date falls on a Saturday, Sunday, National, or State Holiday, the due date becomes the next legal business day.

Overview of Indiana's ACH Debit Option

After the EFT Authorization Agreement Form (EFT-1) is processed:

- The bank information is stored in a secure data base to be retrieved when you call to request a transfer of funds.
- The Department issues an EFT registration confirmation letter.
- The Department's service provider* mails a calling instruction card together with a Q&A sheet.
**All service providers must sign agreements stating they will operate under the same strict confidentially guidelines as outlined in Indiana Code for Indiana Department of Revenue employees.*

The prompts for information during the telephone call are the same for all tax types. However, each tax type has a unique tax type code to be entered during the call. It is important to read the Q&A sheet before you make your first payment. The Q&A sheet:

- Explains how to change your access code,
- Provides the formula to calculate a verification code which you must enter during the call,
- Provides the verification code for a zero dollar payment*, and
**If the tax type account should remain open, but you don't have any tax to report and pay for a particular tax period, you should file a zero dollar transaction. This action will indicate you are aware of your responsibility to file/pay, but have nothing to report. It will "clear the tax period" so that you will not receive estimated liability notices from the Department.*

Warehousing Capabilities - The system has a 30 day warehousing capability. You may call in the tax payment up to 30 days in advance of the due date, but request that the funds not be debited from your bank account until the due date.

Bank Changes - If your bank information changes, you must submit a Bank Information Change Form, EFT-BIC. The form is available on our Web site www.in.gov/dor/taxforms/state.htm#electronic

Cost - There is no charge to you for this payment option.

Timeliness - To ensure payment is timely, your payment must be completed by 4:00 p.m. E.T. the business day before the due date.

Reference Number - You will receive a reference number at the end of the call. You should record that number as well as the amount of the payment and the date you requested the funds to be debited from your account. You will be asked to provide that information if there is ever a question about your payment.

Prompt #9 - At prompt #9 be sure to enter the tax period end date of the payment you are making. Example: If you are remitting a payment for January 2008 which is due in February, enter 013108 at prompt #9.

ACH Credit

If you select the ACH credit option, you will request a funds transfer from your bank account into one of the Department's receiving bank accounts.

Overview of ACH Credit Option

- You are responsible for making the arrangements for ACH Credit payments with your financial institution.
- Any costs associated with the initiation of the payment are your responsibility.
- Tax payments must be accompanied with identifying information in an addenda record using the CCD+ TXP format. The required format and banking information are included in this packet. CTX transactions are not allowed.
- Payments received by the state's bank into Department of Revenue accounts not accompanied with an addenda record in the CCD+ TXP format will be rejected and returned to the initiating bank.
- Payments that must be re-initiated to include the addenda record that are received after the due date will be subject to late payment penalty and interest assessments.
- We strongly urge you to initiate a one cent transaction to verify the addenda record is accurate before you begin remitting tax payments. Failure to provide accurate data in the addenda record will result in payments not being properly/timely credited to your tax account and could result in a 10% penalty.
- Each tax type has a separate receiving bank account number. It is imperative that the correct bank account number for the tax type your are remitting is used to ensure proper credit is given.
- If you have no tax due for a period, you should initiate a zero dollar translation to "clear the tax period" and prevent estimated liabilities from being created. If your bank does not initiate zero dollar ACH Credit transactions, contact the EFT Section by calling (317) 232-5500 for further instructions.
- You are responsible for meeting your bank's deadlines for timely payments.
- Please see Pages 8 and 9 for the required addenda record format and the state's bank information.

Important Information for All EFT Taxpayers

Before registering for EFT you must be registered with the Department for the tax type you wish to remit electronically. We are not able to process EFT-1 forms or tax payments if the business is not registered to remit the tax type. Instructions for completing the EFT Authorization Agreement Form, EFT-1 are printed on the back of the form.

Due Dates - Your tax payment due date does not change when you remit by EFT. Indiana law lists due dates (aka filing frequency) based upon specific criteria. For most trust taxes (e.g. sales tax, use tax or withholding tax) the due date is based upon the average monthly tax liability. Taxpayer accounts are reviewed annually to determine if the correct filing due date (filing frequency) is assigned to each taxpayer. If a filing frequency changes, the taxpayer is notified by letter. Filing frequency change letters provide the new due date as well as the effective date of the change. Other tax types (e.g. Corporate Income, Utility Receipts Tax, Motor Fuel Tax) have constant due dates also dictated by statute.

If the due date falls on a Saturday, Sunday, State or National holiday, the due date becomes the next legal business day.

Timeliness - Your payment is considered timely if you initiate the request for payment on or before the due date and funds are received in the state's account the next legal business day. The tax payment funds must be in the state's account no later than the business day after the due date.

Taxpayer Identification Number (TID#) - Please refer to the back of the EFT-1 for detailed instructions concerning the correct TID# to enter on the EFT-1.

- Regardless of the EFT method you select or tax type you will remit, the EFT ID must be 13 digits.
**The EFT Confirmation Letter contains the EFT ID you must use to remit the specific tax type and/or location. Failure to use the EFT ID will result in payments not properly credited to your account.*
- If you are not sure of the 13 digit TID#, contact the EFT Section by calling (317) 232-5500
**Exception to the 13-digit requirement is for Streamlined Sales Tax (SST). Your EFT ID will be an alpha character plus eight digits.*

Tax Type Specific Information

Retail Sales & Use Tax - After you begin remitting by EFT your payment due date remains unchanged, but you are no longer required to file monthly returns. The coupon book issued to EFT taxpayers contains coupons for quarterly recap filing rather than monthly coupons. Quarterly recaps should be mailed to you within four to six weeks of your EFT confirmation letter. If you do not receive quarterly recaps, contact the EFT section by calling (317) 232-5500. There is an exception for certain sales and use taxpayers who have a special four week filing frequency. Four week filers submit payments and returns for each tax period.

Tire Fee - Taxpayers required to remit tire fee should not include the tire fee due with the sales/use tax payment. A separate payment for tire fee (to the tire fee account) must be remitted. Therefore, a separate EFT-1 must be submitted. The due dates for tire fee payments are the same as for the taxpayers's sales/use tax payments. The same filing requirement rules that apply to a taxpayer's sales/use tax account, apply to their tire fee account.

Withholding Taxpayers - Legislation (effective July 1, 2003) states that **taxpayers who remit withholding payments electronically are not required to file monthly returns or quarterly recaps throughout the year.** The only required return is the annual reconciliation form, WH-3.

Special Note: Payments for state and/or county withholding tax should be made no more frequently than monthly. Indiana withholding tax payment requirements differ from the IRS requirements. Indiana does not have a filing frequency/due date that would require payments to be made any more often than once a month. The state and county payments should be combined into a single payment and should not be paid in two separate payments.

Corporate Income Tax, Financial Institution Tax, and Utility Receipts Tax

- All tax types are due on the 20th day of the fourth, sixth, ninth, and 12th month of the taxable year.
- When paying these tax types by EFT, no quarterly paper returns are required. The reconciliation is completed annually after the income tax return is filed.
- Extensions and final payments are not required to be made by EFT. However, if you choose to do so, be certain to claim the payments as estimated credits so the return has a zero balance due.

Prepaid Sales Tax on Gasoline - Due dates and return filing requirements remain the same. You still need to submit tax returns for both the tax periods each month.

Gasoline Distributors and Special Fuel Suppliers - Due dates and return filing requirements remain the same.

Streamlined Sales Tax (SST) - Taxpayers who have not registered to file multistates sales tax at the Streamlined Sales Tax Registration web site (SSTR) <https://www.sstregister.org/sellers> may disregard this reference. This is a special filing status to remit sales tax payments in accordance with the Streamlined Sales Tax Agreement. Taxpayers who are registered for SST have a tax payment due date of the 20th day of the month following the close of the month for which the taxes are being paid. Example: If the sales tax payment is for March 2008, the due date is April 20, 2008.

CCD+ TXP FORMAT FOR INDIANA ACH CREDITS

POSITIONS	CONTENT	DESCRIPTION
01	7	Record Type
02-03	05	Addenda Type code
04-06	TXP	Segment Identifier
07	*	Separator
The next 76 places will be formatted as follows; not all of the spaces will be used.		
	XXXXXXXXXXXXXXXXXX	Taxpayer Identification <ul style="list-style-type: none"> • 1 to 15 alphanumeric positions • Enter your 13 digit Indiana EFT ID for all tax types except SST which is comprised of alpha and numeric characters. The EFT ID is listed on your EFT confirmation of registration letter. • Compress the field as necessary.
	*	Separator
	XXXXX	Tax Type Code <ul style="list-style-type: none"> • 1 to 5 alphanumeric • See list on reverse side of page for Indiana codes • Compress the field as necessary.
	*	Separator
	YYYYMMDD	Tax Period End Date <ul style="list-style-type: none"> • 8 numeric date • Tax Period End Date is used to provide the necessary information to identify the time period covered by the payment.
	*	Separator
	X	Amount Type Code <ul style="list-style-type: none"> • 1 alphanumeric • See reverse side of page for codes.
	*	Separator
	\$\$\$\$\$\$\$cc	Amount <ul style="list-style-type: none"> • Associate with the 2 to 10 numeric
	*	Separator
	Spaces	Space filled until the 76 positions.
84-87		Addenda Sequence Number
88-94		Entry Detail Sequence

Tax Type	Tax Type Code	Amount Type Code	State Receiving Bank Account Number	State Receiving ABA Number
Withholding Tax	011	'T' - Tax	501980988	074000065
Gross Retail Sales and Use Tax	040	'T' - Tax	501980991	074000065
Tire Fee	200	'T' - Tax	758113317	074000065
Prepaid Sales Tax on Gasoline	056	'T' - Tax	501769329	074000065
Special Fuel Tax	052	'T' - Tax	501877606	074000065
Motor Fuel Tax	050	'T' - Tax	501769332	074000065
Corporate Estimated Payment	021	'T' - Tax	00221915	074000065
Financial Institution Tax	031	'T' - Tax	500528540	074000065
Utility Receipts Tax	150	'T' - Tax	758138321	074000065
Streamlined Sales Tax	04040	'T' - Tax	584962952	074000065



EFT-1
State Form 50110
R5 /11-06

Indiana Department of Revenue
Authorization Agreement Form
For Electronic Funds Transfer

Date: _____

Indiana Taxpayer ID #: _____
(Must Be 13 Digits) See Special Instructions on Back.

Business Name: _____

Name and Telephone Number of Individual in your Organization that Revenue may contact regarding EFT:

Contact Person:

(Not a Bank contact)

(Please Print)

Address: _____

City, State, ZIP: _____

Telephone: _____

☐ EFT Required
or
☐ Voluntary

For Tax Type:

Please complete a separate form for each tax type selected.

- | | |
|--|--|
| <input type="checkbox"/> Sales (RST) | <input type="checkbox"/> Financial Institution (FIT) |
| <input type="checkbox"/> Tire Fee (TIF) | <input type="checkbox"/> Utility Receipts Tax (URT) |
| <input type="checkbox"/> Withholding (WTH) | <input type="checkbox"/> Gasoline Distributors (MFT) |
| <input type="checkbox"/> Prepaid Sales on Gasoline (PPD) | <input type="checkbox"/> Special Fuel Tax (SFT) |
| <input type="checkbox"/> Corporate Income (COR) | <input type="checkbox"/> Streamlined Sales Tax (SST) |

Please choose an EFT method. If you choose ACH Debit, you must also complete the banking information portion of this form, and attach a copy of a voided check to verify the banking information.

- | | |
|---|--|
| <input type="checkbox"/> ACH Debit* (Complete bank information) | <input type="checkbox"/> Checking or <input type="checkbox"/> Savings |
| <input type="checkbox"/> ACH Credit | |

Bank ABA#: _____
(Transit Routing Number)

Your Account #: _____
(With the above bank)

Authorized Signature

Title

Date

*If ACH Debit is chosen, the taxpayer hereby authorizes the Indiana Department of Revenue to present debit entries into the bank account referenced above as required by Indiana Law. These debits will pertain only to Electronic Funds Transfer payments that the taxpayer has initiated.

This form may be faxed or mailed.
Fax #(317) 232-1851
Questions?(317) 232-5500

EFT Section, Room N248
Indiana Department of Revenue
100 N. Senate Ave.
Indianapolis, IN 46204-2253

Completing the EFT-1 (Authorization Agreement)

Indiana TID# - Enter your 13 digit Indiana TID#. Your Indiana TID# is **not** your Federal ID#, with the exception of Corporate Income, Financial Institution, and Utility Receipts Taxes.

Taxpayers registering for EFT to remit Corporate Income, Financial Institution, or Utility Receipts Taxes will use their nine digit Federal ID# plus four additional digits at the end as assigned by the Department. If you do not know the last four digits, contact the EFT Section at (317) 232-5500, or only enter the nine digit number and we will provide the four additional digits required for EFT payments on your confirmation letter.

Other tax types will use a 13-digit number as assigned by the Department. Taxpayers registering for EFT to remit Retail Sales/Use Tax, Employers' Withholding Tax, or Prepaid Sales Tax on Gasoline can find the 13-digit number by referring to the account number printed on their tax payment coupons, minus the final (14th) digit.

Streamlined Sales Tax EFT ID numbers - EFT Taxpayer Identification for Streamlined Sales Taxpayer is the Streamlined Sales Account number assigned in the Streamlined Sales Registration. The Streamlined Sales identification number should be aligned to the left of the field, therefore the number would be 'S99999999'. The Certified Service Provider's (CSP) identification number can be used in the future when Indiana accepts the bulk payment from Certified Service Providers. The identification number would be formatted as "CSP9999999".

Tax Type - Please complete and submit a separate EFT-1 form for each tax type for which you are registering for EFT.

Bank Information - This section only needs to be completed by those taxpayers selecting the ACH Debit method. You must indicate whether the account is checking or savings. Remember the ABA/Transit routing number must be nine digits. **Note:** You cannot have multiple accounts for a single tax payment. Please verify the accuracy of the bank information entered.

Taxpayer Contact - Enter the name and entire address of the person who should be contacted with information concerning EFT tax payments, or if there is a problem with EFT payments. Do not enter the name of someone at your bank. We must have a taxpayer contact. Tax service providers may enter their contact information if they have power of attorney to represent the taxpayer. The contact telephone number must also be provided.

Required or Voluntary - Are you registering for EFT because you are required by law, or are you a voluntary participant in the EFT program?